State of Washington

Roadmap for Financial and Administrative Policies, Processes and Systems

Advisory Group
Working Session

August 23, 2006

Today's Agenda

	Agenda item	Presenter	Time
1	Executive sponsor direction	Wolfgang Opitz	20 min
2	Project update, communications	Kathy Rosmond	5 min
3	Share challenges	Robin Madsen	20 min
4	Finding the "sweet spot"	Robin Madsen	40 min
5	Next steps / process check	Kathy Rosmond	5 min

Appendices – Integration Architecture Strategy, decision-making principles and *Roadmap* business functions mapped to ERP solutions
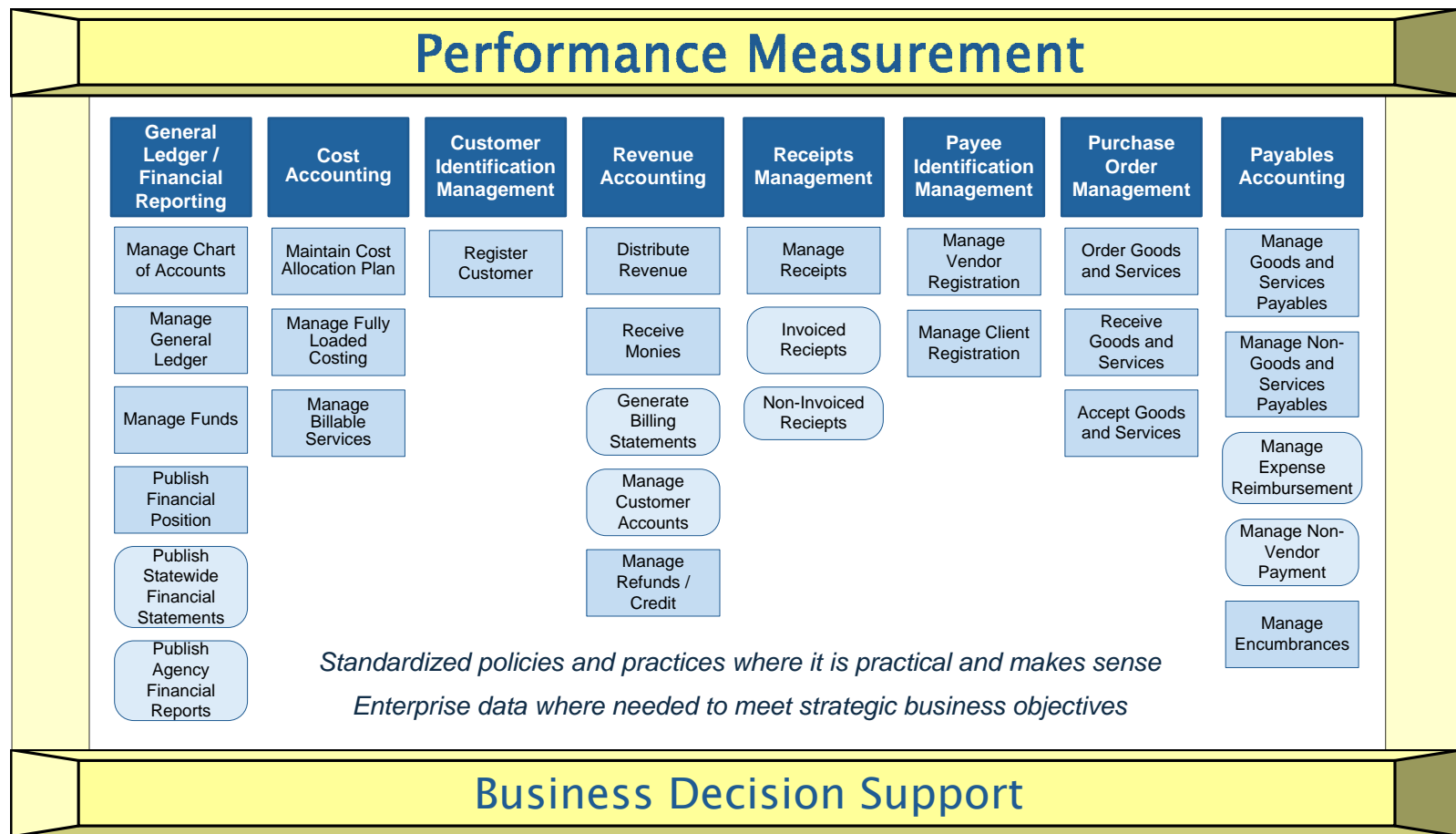
Executive sponsor direction

- Leave all ideas on the table
- Include enterprise performance measurement and decision support in the feasibility study
  - Provide the Governor, OFM, and the Legislature with better information for navigating and course-setting for the state
  - Provide agency management with better information for navigating and course-setting for their mission

Roadmap Scope
Performance Measurement

Performance Measurement

General Ledger / Financial Reporting	Cost Accounting	Customer Identification Management	Revenue Accounting	Receipts Management	Payee Identification Management	Purchase Order Management	Payables Accounting
Manage Chart of Accounts	Maintain Cost Allocation Plan	Register Customer	Distribute Revenue	Manage Receipts	Manage Vendor Registration	Order Goods and Services	Manage Goods and Services Payables
Manage General Ledger	Manage Fully Loaded Costing		Receive Monies	Invoiced Receipts	Manage Client Registration	Receive Goods and Services	Manage Non-Goods and Services Payables
Manage Funds	Manage Billable Services		Generate Billing Statements	Non-Invoiced Receipts		Accept Goods and Services	Manage Expense Reimbursement
Publish Financial Position			Manage Customer Accounts				Manage Non-Vendor Payment
Publish Statewide Financial Statements			Manage Refunds / Credit				Manage Encumbrances
Publish Agency Financial Reports							

Standardized policies and practices where it is practical and makes sense

Enterprise data where needed to meet strategic business objectives

Business Decision Support

What's happened since May?
Communications

- Operations Committee (deputies)
- Higher education
- OSPI
- City of Tacoma
- ISB
- FMAC
- Governor's Cabinet

- Finished value propositions

- Started business modeling summary report

- Started feasibility study

  - High-level requirements

  - Cost models

  - Evaluation options

- Analyzing performance measurement / decision support

  - Process, objectives, vision, value, requirements

This hasn't been an easy journey
Taking a look at the challenges

- What we've heard
- Tell us what you have heard
- What are you worried about?

What's the "sweet spot"?

What advice do you have on balancing the needs of the enterprise and the needs of agencies within the *Roadmap* feasibility study?

Suggestions for improvements

September expectations

Tasks	Expectations	Assigned to	Due Date
Finalize the General Ledger Value Proposition	• Send your agency responses to Michelle.French@ofm.wa.gov	Advisory Group	August 31
Develop feasibility study cost model	• Participate in gathering information for the cost model	Selected agency finance officers and CIOs	TBD
Communicate	• Continue sharing the *Roadmap* plan and vision with agency managers and staff	Advisory Group Working Team	Ongoing
Other expectations?			

Next meeting: **Wednesday, September 27 1:30-3:30**

OFM Point Plaza Training Room

Roadmap Reference Slides:

- Integration architecture strategy
- Advisory Group decision making principles

Roadmap Integration Architecture Strategy

The integration architecture strategy will identify standards & guidelines that will allow the state to:

- Implement the *Roadmap* incrementally, with confidence that components will fit together
- Accommodate agency-unique extensions where needed
- Help agencies plan how to integrate their core systems with new *Roadmap* systems over time

The Integration Architecture Steering Committee, jointly sponsored by DIS and the *Roadmap*, is defining the enterprise integration architecture strategy.

Roadmap Advisory Group
Decision-making principles

Natural boundaries principle *Should be designed around natural boundaries (adopted by the ISB November 2004)*

- Rationale:
    - Achieving the ability to view state government as a single enterprise requires the ability to effectively integrate systems as needed. Systems with well defined, natural boundaries aid in integration.

- Implications:
    - In order to meet its mandate in a timely manner, the state will need to leverage and use all of its available resources including the existing environment.
    - Within the boundaries of an "Information System", tight coupling streamlines business processes.
    - Between "Information Systems", loose coupling allows open, plug and play approach.
    - Requires definitions of what is in and out of scope of statewide "Information Systems".
    - Requires enterprise-level business and data modeling.

Logical Sequence Principle Should sequence projects based on information needs

- Rationale:
    - Reduces risk of missing key functionality and rework
    - Captures the data needed for operations and performance management as part of the original transactions
- Implications:
    - May have to model lower-value business processes before potentially higher-value processes
- Examples:
    - HRMS would have included financial requirements earlier

Roadmap Advisory Group
Decision-making principles

Business Sponsorship Principle Should select projects with business sponsors for significant change

- Rationale:
  - Significant process change requires leadership and sponsorship at the highest levels
- Implications:
  - We should not proceed with new ideas if a committed business sponsor can't be identified
- Examples:
  - Identify business sponsor for using state credit cards for all travel expenses

Value Proposition Principle: Should have a measurable value proposition for change

- Rationale:

  Difficult to achieve change without a clear business return

- Implications:

  We should not promote policy, process, systems or information changes without a notable value for the enterprise

- Example:

  Prioritize process modeling work around valued projects such as TEMS, Enterprise Grants and Loans Management